

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

MEMORANDUM

TO: David Waddell
Executive Secretary

FROM: Pat Murphy, Sr. Financial Analyst *PM*
Energy and Water Division

DATE: January 23, 2002

REFERENCE: Gasco Distribution Systems, Inc.
Actual Cost Adjustment Audit – Docket No. 01-00775

On January 18, 2002, the Energy and Water Division filed its Report on the Actual Cost Adjustment Audit of Gasco Distribution Systems, Inc. for the year ended June 30, 2001. Upon further review of the report, it was noted that Attachment 1 to the report was for the prior audit year and was inadvertently attached in error. Please replace the Attachment 1 in the original filing with the correct Attachment 1 attached to this memo. Staff's findings and recommendations remain as filed.

ATTACHMENT 1

Gasco Distributions Systems, Inc.

Calculation of the ACA factor (for Jellico customers)

Line No.	Factor to be applied to residential, commercial and industrial customers:		
1	Cost of Gas Purchased (7/00 - 6/01)	482,404.37	
2	Cost of Gas Recovered	<u>474,170.20</u>	
3	Under/(Over) Recovery	8,234.17	
4	Interest on Average Monthly Balances	970.30	
5	ACA Surcharges/(Refunds) (7/00 - 6/01)	(30,010.47)	
6	Beginning Balance (6/30/00)	<u>(24,084.77)</u>	
7	Balance at 6/30/01 (line 3 plus line 4 less line 5 plus line 6)	<u><u>15,130.17</u></u>	Under-Recovery
8	Sales Volumes **	56,000	MCF
9	ACA Factor (line 7 divided by line 8)	<u><u>0.2702</u></u>	Per MCF

** Company projected volumes for 12 months ending 6/30/02.